

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-158-15

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IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

British Columbia Hydro and Power Authority
Open Access Transmission Tariff
Tariff Supplement No. 80 Amendments Application

BEFORE: L. F. Kelsey, Commissioner

K. A. Keilty, Commissioner October 8, 2015

ORDER

WHEREAS:

- A. On October 19, 2006, the British Columbia Utilities Commission (Commission) approved a Negotiated Settlement Agreement (NSA) that established the Network Economy Service provisions contained in the Open Access Transmission Tariff (OATT) as Tariff Supplement No. 80 (TS 80) and Attachment Q-2, as well as on-going operational requirements for Network Economy Service by Order G-127-06;
- B. On July 17, 2014, the Commission approved reliability standard BAL-002-WECC-2 (New Standard) with an effective date of October 1, 2014 by Order R-32-14. The New Standard revised the specification of the type and quantity of contingency reserves that must be maintained within British Columbia Hydro and Power Authority's (BC Hydro) Balancing Authority Area;
- C. On September 18, 2015, BC Hydro, pursuant to sections 58 to 61 of the *Utilities Commission Act*, submitted an application (Application) to the Commission seeking approval to amend the OATT by:
 - amending TS 80 to replace the methodology used to determine the Trigger Price that is used in the
 Network Economy Economic Test to establish the priority for Network Economy imports on the B.C.-U.S.
 Intertie during the period from November 1 of each year to February 28/29 of the following year, so that
 the Trigger Price is equal to the Threshold Purchase Price as defined in the Transfer Pricing Agreement
 between BC Hydro and Powerex and established by BC Hydro from time-to-time;
 - amending TS 80 to advance the time each day that data must be extracted from external sources to establish the Market Price that is used in the Network Economy Economic Test from 17:00 to 16:00;
 - making additional housekeeping amendments to TS 80 of a non-material nature to define terms used and to align the style of TS 80 with that of the OATT; and
 - making housekeeping amendments to Rate Schedule 07, Operating Reserve (OR) Spinning Reserve Service, and Rate Schedule 08, OR – Supplemental Reserve Service to align the minimum reserve requirements with those established by the New Standard;

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- D. Regarding amendments to TS 80, BC Hydro consulted with stakeholders by way of an email to NSA participants and by way of a bulletin posted on BC Hydro's transmission website on July 10, 2015 with a five-week comment period. Five stakeholders submitted comments, none of which were opposed to the proposed amendments to TS 80 in the Application. Three NSA participants found the proposed amendments to TS 80 reasonable;
- E. Regarding amendments to Rate Schedule 07 and Rate Schedule 08, BC Hydro consulted with stakeholders by way of a bulletin posted on BC Hydro's transmission website on May 1, 2015, with a two-week comment period. No comments were received during this consultation;
- F. On September 29, 2015, BC Hydro filed its response to the Commission's information request dated September 24, 2015; and
- G. The Commission reviewed the Application and information request response and finds approval of the Application is warranted.

NOW THEREFORE pursuant to sections 58 to 61 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

- 1. The amendments to the Open Access Transmission Tariff as described in British Columbia Hydro and Power Authority's (BC Hydro) Application dated September 18, 2015, are approved.
- 2. The approved amendments to Tariff Supplement 80 are effective on April 1, 2016.
- 3. The approved amendments to Rate Schedule 07 and Rate Schedule 08 are effective immediately from the date of this order.
- 4. BC Hydro must post a bulletin of this order on its transmission website and must send a copy of this order to all participants to the Negotiated Settlement Agreement establishing the Network Economy Service provisions by Order G-127-06, within 30 days.
- 5. BC Hydro must file the amended tariff pages with the Commission, in accordance with the terms of this order, within 30 days.

DATED at the City of Vancouver, In the Province of British Columbia, this 8th day of October 2015.

BY ORDER

Original signed by:

K. A. Keilty Commissioner